raise Gujarat Development Bonds, for funding Sardar Project;

(b) whether it is also a fact that the proposed Gujarat Development Bonds, if approved, will increase foreign exchange reserves and reduce budgetary allocations; and

(c) what are the reasons for delay in approving the Gujarat Government's request to issue Gujarat Development Bonds?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) Yes, Sir.

(b) and (c) The proposal was not found to be consistent with the Governments policy, since it involved provision of budgetary support by absorbing the foreign exchange risk and extending guarantee support.

Merger of rural banking system with Commercial Banks

897. SHRI SUKOMAL SEN: Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal under Governmentss consideration to merge the Rural Banking system with the Commercial Banks, if so, what are the details thereof; and

(b) what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) Government have initiated a process of consultation for restructuring of the Regional Rural Banks (RRBs). A number of models have been worked out and effectiveness of each is being examined from all angles. This also includes the proposal for establishment of a National Rural Bank of India (NRBI), with a view to improve the viability of rural banking and increase the flow of credit to rural sector. However, no final decision has so far been taken in this regard.

*898. (*Transferred to 9th August,* 1993)

Spoiling of currency notes at RBI Jaipur

899. SHRI S. S. AHLUWALIA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Reserve Bank of India at Jaipur recently lost one crore rupees because it could not decide for nearly one year whether to pay overtime allowance to a class IV employee to open the box and as a result the currency notes turned into pulp;

(b) if so what are the details thereof; and

(c) what action Government have taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c) A box containing 1 lakh pieces of Rs. 10/- was received by Jaipur Office from Nasik Note Press on 25.6.92. These notes were subjected to preliminary verification on 29-6-92 and repacked as per the procedure. These notes were taken up for examination before issue over the Banks counters on 18-6-1993 when it was found that out of 100 note bundles in the box 11 bundles (11000 pieces) were fully damaged and had become pulpy. Another 28 bundles (28000 pieces) were partially damaged. The note bundles were damaged presumably due to seepage of water into the box. The RBI has reported that this incident is not due to dispute regarding payment of overtime allowance to employees.

The notes held in Bank's Issue Department vaults are treated as

mere note forms and they do not have any value. They become bank's liability only when they are put into circulation/issued to the Banking Department of the Bank. Therefore, except for the printing cost of the note forms there was no loss to the bank in this case. RBI is enquiring into this and will take action against those who held responsible.

Appointment of NRI Commissioner

900. DR. SANJAYA SINH: Will the Minister of FINANCE be pleased to state:

(a) whether Government have revived the proposal to appoint a Non-Resident Indian Commissioner to promote foreign investment;

(b) if so, what are the details thereof; and

(c) what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c) The appointment of a Chief Commissioner for NRIs is under consideration of the Government. The Chief Commisioner for NRIs would serve as a focal point for NRIs as also act as the nodal officer for all NRI matters.

Fall in Prices of Shares of Companies

901. SHRI IQBAL SINGH:
SHRI SURESH PACHOURI:

Will he Minister of FINANCE be pleased to state:

(a) whether investors have lost crores of rupees as market prices of scrips of several companies which came out with public issues has plummeted below the face values;

(b) whether about 100 companies have been listed on the Stock Exchange since January, 1993;

(c) what is the total number of companies which have given profitable return to the investors; and

(d) what action Government propose to take against those who have lost scrips?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINSTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) According to the information furnished by the Bombay Stock Exchange, which is the largest Stock Exchange in the country, the level of prices of shares of 174 new companies, which were listed on the Stock Exchange from 1st January, 1993 till 14th July, 1993 was as follows:

(As on 22-07-1993)	Number
Number of companies whose shares were quoted above the offer price	91
Number of companies whose shares were quoted at the offer price	15
Number of companies whose shares were quoted below the offer price	59
Number of companies whose shares were not traded	9
	174

As the shares of a majority of the new companies were quoted at their offer price or above the offer price as indicated above, it may not be correct to assume that investors have lost crores of rupees on account of the fall in the price of shares of some companies below the offer price.

(b) Shares of 174 companies were listed on the Bombay Stock Exchange from January 1993 till 14th July, 1993.

(c) Profitable return to the investors depens upon the change in the price of share as compared to the purchase price, the dividend paid by the companies and other benefits arising out of issue of bonus and rights issues. As